

TOP SECRET

25X1

16 September 1963

Copy No. C *ED-2*

25X1

CENTRAL INTELLIGENCE BULLETIN



25X1

State Dept. review completed

GROUP 1
Excluded from automatic
downgrading and
declassification

TOP SECRET

25X1

Approved For Release 2003/05/16 : CIA-RDP79T00975A007200340001-4

Approved For Release 2003/05/16 : CIA-RDP79T00975A007200340001-4

25X1

Approved For Release 2003/05/16 : CIA-RDP79T00975A007200340001-4

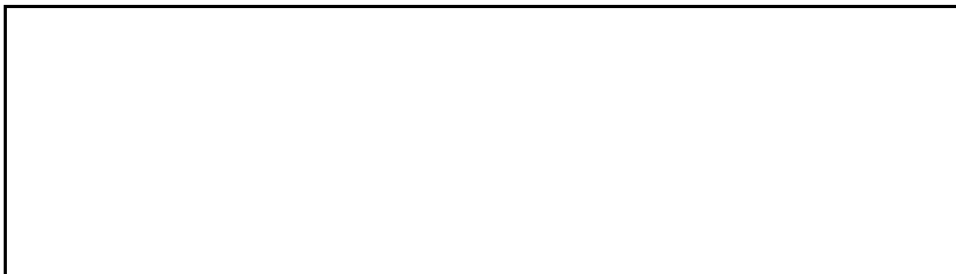
16 September 1963

CENTRAL INTELLIGENCE BULLETIN

CONTENTS


1. South Vietnam: Unrest continues despite lifting of martial law. (Page 1)
2. USSR-Canada-Australia: Unusually large Soviet wheat purchases are probably designed to forestall development of a critical Soviet bloc grain shortage. (Page 3)

25X1



5. Brazil: Nation-wide strike threatened this week by Communist-dominated union. (Page 7)
6. Indonesia-Malaysia: Indonesian mobs demonstrated this morning at Malayan and British Embassies after Djakarta refused yesterday to recognize Malaysia federation. (Page 8)

25X1

7. Notes: USSR-Algeria;  Iran; South Korea. (Page 9)

25X1 Approved For Release 2003/05/16 : CIA-RDP79T00975A007200340001-4

CENTRAL INTELLIGENCE BULLETIN

16 September 1963

DAILY BRIEF

South Vietnam: The lifting of martial law today and the rescheduling of National Assembly elections for 27 September are further moves by the government to demonstrate that the political crisis has ended.

Civil restiveness continues, with some student demonstrations occurring on 14 September in three provincial cities previously free of student agitation. Tight controls on the populace probably will still be maintained by the strong combat police force. General Khiem, deputy to the armed forces commander, reportedly has stated that some military units would remain on security duty in Saigon.

25X1

North Vietnam is trying to exploit the current world outcry over the situation of the Buddhists in South Vietnam. On 14 September, it broadcast a letter from South Vietnam's Liberation Front--the Viet Cong political arm--to the chairman of the UN General Assembly, reiterating the Front's demands that the US withdraw from South Vietnam, and that the parties concerned in South Vietnam stop the war, settle their differences among themselves, and set

25X1

Approved For Release 2003/05/16 : CIA-RDP79T00975A007200340001-4

up a neutral, coalition government. The same theme was contained in a note sent by North Vietnam to the fourteen countries sponsoring discussion of the South Vietnam question in the UN.

In several recent engagements with the Viet Cong just north and to the south of Saigon, government troops have noted increased enemy use of recoilless rifles and heavy mortars. They have also captured increased quantities of equipment apparently originating in the bloc. This has included infantry weapons and some foodstuffs and printed matter. One Chinese Communist periodical found was dated June 1963. [REDACTED]

25X1

16 Sept 63

DAILY BRIEF

2

25X1 Approved For Release 2003/05/16 : CIA-RDP79T00975A007200340001-4

USSR - Canada - Australia: The USSR's purchase of large quantities of wheat from Canada and Australia probably is designed to replenish its reserves and to forestall the development of a critical grain shortage in the Soviet bloc.

Moscow will receive 5.3 million tons of wheat and 500,000 tons of flour from Canada--with a value of about \$450 million--by July 1964, and 1.2 million tons of wheat from Australia, presumably within a year. The most wheat the USSR has previously imported was in 1961 when 650,000 tons were purchased abroad.

25X1

Under the Canadian agreement, the USSR may divert shipments to Eastern Europe if Canadian sales there are not affected. The agreement also provides that some wheat and flour purchased on the Soviet account be shipped directly to Cuba. Most of the deliveries will require 25 percent down payment with the balance payable in three installments at six-month intervals. The Cuban shipments, however, must be paid for in full at time of delivery.

The USSR has had mediocre grain harvests each year since the record crop estimated at 125 million tons in 1958. It has also been exporting about five million tons annually to Eastern Europe and underdeveloped nonbloc countries for the past several years. As a result, Soviet grain reserves

25X1

25X1

Approved For Release 2003/05/16 : CIA-RDP79T00975A007200340001-4

[apparently have been gradually drawn down and have reached a critical point. Rumors of impending bread shortages in the USSR have reportedly caused some scare buying]

25X1

[The purchase from Canada will go a long way toward restoring the Pearson government's prestige, severely damaged [redacted] last summer. The magnitude of the sale to the USSR, together with the recent agreement to provide the Chinese Communists with up to six million tons of wheat by July 1966, will encourage the minority liberal regime to open Parliament on 30 September with a vigorous legislative program.] [redacted]

25X6

25X1

16 Sept 63

DAILY BRIEF

4

Approved For Release 2003/05/16 : CIA-RDP79T00975A007200340001-4

25X1

25X1

Approved For Release 2003/05/16 : CIA-RDP79T00975A007200340001-4

Next 1 Page(s) In Document Exempt

Approved For Release 2003/05/16 : CIA-RDP79T00975A007200340001-4

Brazil: The threat of a nation-wide strike in Brazil this week by the Communist-dominated General Workers Command (CGT) is aggravating the somewhat tense political situation.

President Goulart reportedly is considering asking Congress to declare a state of siege--modified martial law--if the strike is carried out. The new threat comes on the heels of the abortive sergeants' uprising in Brasilia which has been defended by the radical left. In the event of any serious outbreak, War Minister Jair Ribeiro and the majority of the military would probably support strong counter-measures by President Goulart.

Relations between the CGT and Goulart have been strained recently as a result of the Communist-incited strike which paralyzed Santos in early September, and because of Goulart's efforts to encourage the formation of a rival labor organization loyal to him personally.

25X1

16 Sept 63

DAILY BRIEF

7

Indonesia-Malaysia: Indonesia has refused to recognize Malaysia, scheduled to be established today, but has implied that recognition would be possible if some further concession can be made on the issue of self-determination. The Philippines has followed Indonesia's lead in deferring recognition.

Both Indonesia and the Philippines apparently want to perpetuate the recently formed loose confederation, Maphilindo, which includes them and Malaya.

*At 0900 local time today, Indonesian mobs demonstrated first at the Malayan Embassy and then at the British Embassy in Djakarta. Both installations were stoned and windows broken. At the British Embassy automobiles and a flag were burned.

According to press reports, the mob which was 3,000 strong at the Malayan demonstration and 5,000 at the British Embassy moved to National Youth headquarters after one hour and fifteen minutes.

It appears that the Communist Party (PKI) may have taken control of the demonstrations. PKI youth groups spearheaded the attacks but most if not all elements were National Front members.

25X1

16 Sept 63

DAILY BRIEF

8

NOTES

USSR-Algeria: Moscow has extended a \$100 million line of credit to Algeria, the first substantial aid Algeria has received from the Communist bloc. Contracts for specific economic development projects will be negotiated by an Algerian mission which is to go to the USSR. [REDACTED]

[REDACTED] the Soviet delegation indicated a willingness to complete projects which France had abandoned. [REDACTED]

25X1

Iran: Disturbances are probable during Tuesday's parliamentary elections but violence will be minimal. Student discontent has increased and radical elements of the National Front opposition party have threatened to boycott the elections and commit acts of vandalism and terrorism. The government anticipates trouble and will have sufficient force available to ensure that any incidents will be quickly dealt with. [REDACTED]

25X1

25X1

25X1

Approved For Release 2003/05/16 : CIA-RDP79T00975A007200340001-4

25X1

South Korea: Junta leader Pak Chong-hui apparently has decided to bring back from Europe former security chief Kim Chong-pil, who favors harsh repressive measures, to ensure a government election victory this fall. The presidential election is scheduled for 15 October and that for the National Assembly for 26 November. Before his return he will visit New York on 20 September and then Washington, where he hopes to meet unofficially with prominent business, military, and congressional personalities to give the impression he has American support.

25X1

16 Sept 63

DAILY BRIEF

10

Approved For Release 2003/05/16 : CIA-RDP79T00975A007200340001-4

THE PRESIDENT

The Vice President

Executive Offices of the White House

Special Counsel to the President

The Special Assistant for National Security Affairs

The Scientific Adviser to the President

The Director of the Budget

The Director, National Aeronautics and Space Administration

The Department of State

The Secretary of State

The Under Secretary of State

The Under Secretary of State for Political Affairs

The Deputy Under Secretary of State for Political Affairs

The Counselor and Chairman of the Policy Planning Council

The Director of Intelligence and Research

The Treasury Department

The Secretary of the Treasury

The Under Secretary of the Treasury

The Department of Defense

The Secretary of Defense

The Deputy Secretary of Defense

The Secretary of the Army

The Secretary of the Navy

The Secretary of the Air Force

The Assistant Secretary of Defense (International Security Affairs)

The Assistant Secretary of Defense

The Chairman, The Joint Chiefs of Staff

Chief of Naval Operations, United States Navy

Chief of Staff, United States Air Force

Chief of Staff, United States Army

Commandant, United States Marine Corps

U.S. Rep., Military Committee and Standing Group, NATO

Supreme Allied Commander, Europe

Commander in Chief, Pacific

Commander in Chief, Atlantic

The Director, Defense Intelligence Agency

The Director, The Joint Staff

The Director for Intelligence, The Joint Staff

The Assistant Chief of Staff for Intelligence, Department of Army

The Director of Naval Intelligence, Department of Navy

The Assistant Chief of Staff, Intelligence, Department of the Air Force

The Department of Justice

The Attorney General

The Federal Bureau of Investigation

The Director

The Atomic Energy Commission

The Chairman

The National Security Agency

The Director

The United States Information Agency

The Director

The National Indications Center

The Director

Approved For Release 2003/05/15 : CIA-RDP9T00975A007200340001-4

TOP SECRET

Approved For Release 2003/05/15 : CIA-RDP9T00975A007200340001-4

TOP SECRET